

DELAWARE MANUFACTURED HOME RELOCATION AUTHORITY

110 N. Main Street, Suite F
Camden, DE 19934

Minutes of June 19, 2017 Board Meeting

IN ATTENDANCE:

Authority:

Kevin Carroll
William Dunn
Elizabeth (Beth) McGinn (Absent)
George Meldrum
Andy Strine

Dan Daly (Non-Voting Member) (Absent)
Gregg Sutton (Executive Director)

Legal Counsel:

Bill Denman

Other Attendees:

William Kinnick (DMHOA)
Leonard Sears, Briarwood Manor MHP
Susan Hairgrove, St. Jones Landing
Jen Allen, First State Manufactured Housing Association
Robert Ray, Sandhill Acres
Alfred Filippone, Lighthouse Cove

I. Call to Order:

Mr. Carroll called the meeting to order at 1:35 p.m. He noted that Ms. McGinn and Mr. Daly were absent but that a quorum was present.

II. Review and Approval of Minutes:

Mr. Carroll asked the Board if anyone had any comments or corrections to the May 2, 2017 meeting minutes, and if not, requested the Board to consider approval of the minutes. Mr. Meldrum made a motion to approve the minutes. The motion was seconded by Mr. Dunn. The Board approved March's meeting minutes, 4:0 with one in absentia.

III. Executive Directors Report:

- Mr. Sutton stated that since the last Board meeting on May 2, 2017, the office moved to the second floor and that the new address is 110 N. Main Street, Suite F.
- The move only cost \$350.00 and notice of the move has already been posted on the DEMHRA website. The post office, Delaware Division of Revenue, our webmaster, and our accountant have also been notified.
- Our new website, which is more user-friendly, launched on June 1, 2017. Mr. Sutton encouraged Board members to visit the new website and offer any comments and suggestions.

- In the case of Wild Meadows, Mr. Sutton noted that both parties were sent copies of a mediator list.
- Mr. Sutton stated that on May 31, 2017, the Board Chair, Mr. Carroll and he attended a meeting at the Tatnall Building on the state of manufactured housing. The meeting was requested by Mr. Fred Neil. Also present at this meeting were: a representative from the Governor and Lieutenant Governor's office, two representatives from the Attorney General's office, a representative from Delaware State Housing Office, and Mr. William Kinnick and Mr. Leonard Sears of DMHOA, both residents of manufactured housing communities.
- Mr. Sutton stated that Mr. Carroll would discuss key points of this meeting in the Chair's Report.

IV. Chair's Report:

Mr. Carroll reiterated Mr. Sutton's comments about the meeting they both attended at the Tatnall Building on May 31, 2017. He stated the purpose of the meeting was to establish a commission within the Delaware State Housing Authority to deal with manufactured housing issues. One suggestion for funding the Commission involved using monies already earmarked for the Trust Fund. Mr. Carroll stated that he felt it would be difficult to grow government during this tough fiscal climate. He urged the Governor's office and those involved not to think about using the Trust Fund as a source of revenue because "it's not our money," and there is a legislative process to receive such funds. He stated that the meeting lasted for one hour and that all-in-all, it was a good meeting with good ideas and dialogue being shared. He also stated that there would be a Manufactured Housing Committee Meeting on June 21, 2017 at 12:00 noon (in the Tatnall Building, room 112), to discuss Senate Bill 47. He said that he had not read the bill yet but would take a look at SB 47 to see what's going on with it and any pending legislative changes. He invited any Board members to attend the meeting on June 21st, but to do so in their own individual capacity.

V. Financial Activity & Report

A. Approval of Financial Report

Mr. Sutton reviewed the financial report and Trust Fund expenditures for the month of May 2017. Mr. Dunn made a motion to approve the financial report and the motion was seconded by Mr. Meldrum. The motion passed 4:0 with one in absentia.

B. Approval of other Financial Matters:

Approval of legal counsel invoices

Mr. Sutton reviewed the invoices from Mr. Denman for April and May of 2017. Mr. Strine made a motion to approve the legal counsel invoices which was seconded by Mr. Meldrum. The motion passed 4:0 with one in absentia.

Approval of Arbitrator Invoices

- The Board ratified the invoices for arbitrator fees arising out of Docket # 1-2017 (Robert Gibbs), in the amount of \$2541.80; Docket # 3-2017 (The Smith Firm, LLC) in the amount of \$3,754.20; Docket # 4-2017 (Moore and Rutt, P.A.) in the amount of \$3458.50; and Docket # 9-2016 (Erin Brignola) in the amount of \$3,600.00.
- A motion to ratify the payment of these invoices was made by Mr. Meldrum and seconded by Mr. Strine. The motion passed 4:0 with one in absentia.

VI. Reports

A). Compliance Matters

1. Mr. Denman stated that he will review the files for delinquent parks to determine if filing a lawsuit will be necessary.

2. There are still four community owners who are over two quarters late sending in their quarterly assessment payments. They will be sent a letter from our attorney.

VII. Unfinished Business:

A. Arbitration fees for 2016-2017

Discussed under Financial Matters

B. Update on Phase 2 of the St. Jones Relocation Plan

There were three applications presented at this meeting (two for demolition and one for non-relocatable assistance). That leaves four applicants eligible for relocation assistance.

C. Update on Lighthouse Cove Relocation Plan

There were two applications presented at this meeting for relocation assistance which leaves five applicants eligible for relocation assistance.

VIII. New Business:

A. Application for Approval of Non-Relocatable and Demolition Benefits (St. Jones Landing Phase 2):

Virginia Serrano, 53 Marshview Drive, Magnolia: Ms. Serrano applied for \$1500.00 in non-relocatable benefits for her single-wide home. She still has an outstanding tax debt. The Board reviewed her request based on the documents that were provided. St. Jones Landing also applied for \$3,000.00 in demolition assistance on the property at 53 Marshview Drive. Mr. Dunn made a motion to approve both the non-relocatable benefits pending proof her taxes were paid and the subsequent demolition assistance made payable to St. Jones Landing. The motion was seconded by Mr. Meldrum. The motion passed 3:0 with Andy Strine abstaining and one in absentia.

St. Jones Landing, 14 Edgewater Drive, Magnolia: St. Jones Landing is requesting \$3,000.00 in demolition assistance of the property originally owned by Craig Anderson at 14 Edgewater Drive. Mr. Anderson was served an eviction notice March 31, 2017. Mr. Meldrum made a motion to approve the demolition benefits and Mr. Dunn seconded the motion. The motion passed 3:0 with Andy Strine abstaining and one in absentia.

George Makdad, 56 Marshview Drive, Magnolia: Mr. Makdad applied for \$4000.00 in non-relocatable assistance for his single-wide home. Mr. Makdad's taxes are current through May 31, 2017. Mr. Dunn made a motion to approve this request contingent upon Mr. Makdad showing proof that he has no tax debt on his property. A letter will be sent to Mr. Makdad requesting he show proof that he has satisfied his tax debt prior to receiving the non-relocatable assistance. The motion was seconded by Mr. Meldrum. The motion passed 4:0 with one abstaining and one in absentia.

B. Draft of Job Description for Compliance Investigator

1. Mr. Sutton presented the Board with a draft of the compliance investigator position. The Chair will work with the Executive Director to finalize the language in the job posting. A motion was made by Mr. Dunn to approve the posting of a compliance investigator position. The motion was seconded by Mr. Strine and passed 4:0 with one in absentia.

C. Trust Fund Reassessment

Mr. Dunn requested that Brock Thomas provide monthly data on Trust Fund Expenditures. In emails that followed this request, the accountant provided an estimate in excess of \$3,000.00. The Chair, Mr. Carroll asked that this request be delayed for further discussion so the issue was placed on this agenda. Mr. Dunn stated that the purpose of his request was to look at

trends to see how money was being spent with the goal of reducing the overall Trust Fund expenditures. Mr. Dunn said that he felt this could be easily pulled together for less than \$2,000.00 since the accountant already had this information in their database. Mr. Carroll stated that his concern was that the request was “too wide open” and should be narrowed down. Mr. Strine added that instead of requesting monthly data, he should look at quarterly data. Mr. Carroll recommended that Mr. Dunn continue dialogue with Brock Thomas to get the data he needed but that the bill should be no more than \$200.00.

D. St. Jones landing Move Schedule

Since the move schedule was very fluid, it was agreed that we would receive an update on the move schedule at the next Board meeting.

E. Audit Engagement Letter

1. Mr. Sutton provided an audit engagement for the upcoming year for the Chair’s signature.
2. Mr. Carroll asked for a motion to allow the Chair to sign this letter. A motion was made by Mr. Meldrum and seconded by Mr. Strine. The motion passed 4:0 with one in abstentia.

IX. Public Comments:

1. Mr. Leonard Sears asked questions about the role of the arbitrator and the Authority in the arbitration process. More specifically, he wanted to know: who is responsible for appointing the arbitrator; what are the qualifications of the arbitrator; where does the responsibility lie with respect to the arbitrator decisions in case of a lawsuit against the arbitrator; and if the Authority is the one who “sub-contracts” the arbitrators, does that make the Board libel in in any lawsuit? Mr. Carroll explained how the Authority appoints the arbitrator and that each arbitrator undergoes mediator training from the Superior Court. He also stated neither the Authority nor the arbitrator are sub-contractors but that the arbitrators are in fact independent contractors. As far as whether or not DEMHRA (the Board) could be libel for any decisions made by the arbitrator, Mr. Carroll said that he would not answer that question because any answer he gave could be used against the Authority in any type of litigation.

X. Executive Session:

By motion made, duly seconded, and by a vote of 4:0, with one in absentia, the Board moved to go into Executive Session at 2:52 pm to discuss pending litigation. The Board went into Executive Session to discuss pending arbitration cases and litigation for the purpose of receiving legal advice pertaining to such matters. Mr. Strine excused himself from the Executive Session in order to eliminate any appearance of impropriety since the Board would be discussing the pending litigation filed against the Authority and the owner of Saint Jones Landing. Mr. Strine has a financial interest in St. Jones Landing. Mr. Meldrum made the motion to come out of Executive Session at 2:58 pm. Mr. Dunn seconded the motion. The motion to come out of Executive Session was approved 3:0:2 with Mr. Strine and Ms. McGinn being absent.

XI. Next Meeting Date - Adjournment:

The Board set the next meeting date as July 27, 2017. As there was nothing further to discuss, the Board adjourned at 3:00 pm.

Respectfully submitted,

Gregg Sutton
Executive Director